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Technical cooperation among developing countries

Report on the implementation of the second cooperation framework for technical cooperation among developing countries

Report of the Administrator

Summary

The present report contains an assessment of the progress made by the Special Unit for Technical Cooperation among Developing Countries in the implementation of the second cooperation framework for technical cooperation among developing countries (2001-2003). On the basis of the results, including lessons learned, the report concludes with recommendations to ensure continued promotion of technical cooperation among developing countries in UNDP and the United Nations system in general. These recommendations will be useful inputs in the formulation of the third cooperation framework for technical cooperation among developing countries (TCDC).

Elements of a decision

The Executive Board may wish to:

(a) Take note of the report and encourage further efforts to emphasize the contribution of South-South cooperation in the achievement of the Millennium Development Goals and to mainstream TCDC dimensions in the implementation of the UNDP practices;

(b) Encourage all countries in a position to do so to contribute to the Voluntary Trust Fund for the Promotion of South-South Cooperation, which is now included in the United Nations Pledging Conference for Development.

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I. Introduction

1. The second cooperation framework for technical cooperation among developing countries (2001-2003) (DP/CF/TCDC/2) was formulated at a time of accelerating integration of the global economy. As a result, an analysis of trends in globalization to determine ways in which developing countries could take advantage of the process was a key factor in its formulation. The activities to be supported under the framework were selected in response to decisions of the Executive Board with regard to technical cooperation among developing countries (TCDC), directives of the High-level Committee on the Review of Technical Cooperation among Developing Countries and the recommendations on TCDC endorsed by the General Assembly in its resolution 50/119 of 20 December 1995.

2. In preparing the second cooperation framework, the Special Unit for Technical Cooperation among Developing Countries also benefited from lessons learned from the first cooperation framework for TCDC (1997-2000) and the information on South-South cooperation provided biennially by the United Nations system to the High-level Committee on the Review of TCDC through the Special Unit for TCDC. Accordingly, the second cooperation framework emphasizes regional and interregional initiatives aimed at engaging a large number of countries to work together to formulate policies, share information, agree on priorities and translate ideas into programmes. The second cooperation framework was approved by the Executive Board in its decision 2001/2 of 31 January 2001.

3. In implementing the framework, the Special Unit for TCDC has continued to promote South-South cooperation in general, which includes both economic and technical cooperation. Its overarching objective in implementing the framework has been to support strategic interventions that would benefit groups of developing countries and to pilot initiatives with the potential for replication in several countries. Particular emphasis has been placed on South-South and triangular partnerships and exchanges of information and expertise.

4. The present report on the progress of the Special Unit for TCDC in implementing the second cooperation framework has six parts. The introduction is followed by a brief summary of the strategic objectives and areas of intervention of the programme for TCDC. The report then looks at achievements in the areas of intervention, the resource situation and lessons learned. It concludes with recommendations to ensure continued promotion of TCDC in UNDP and the United Nations system in general.

II. Programme objectives and areas of intervention

5. According to the second cooperation framework for TCDC, the strategic goals of the programme for TCDC to be implemented by the Special Unit for TCDC are to:

(a) Use South-South cooperation as a strategy to enable developing countries to become more effective participants in multilateral development cooperation;

(b) Turn this form of cooperation into a complementary development platform enabling all development partners to pool policy, institutional, technical and financial resources towards halving the incidence of extreme poverty by 2015.

6. To achieve these strategic goals, the framework indicates that the work programme of the Special Unit is to focus on two areas: (a) mobilizing global support for South-South cooperation; and (b) acting as a catalyst for the development of innovative models of South-South cooperation for partnering, resource mobilization and mainstreaming. For the first focus area, the Special Unit is to provide support for South-South policy dialogue and consensus-building, strengthen multilateral efforts with respect to South-South cooperation and support South-South sharing of development information. Areas of intervention for the second focus area include support for increased economic cooperation among developing countries; South-South cooperation in social policies and social development; and South-South cooperation in science and technology for poverty alleviation.

III. Achievements

A. Strategic approach

7. As part of its overall approach to the implementation of programme activities, the Special Unit for TCDC prepared a concept paper outlining measures that would orient the Special Unit. After the document was distributed to UNDP bureaux and comments were received, the Special Unit articulated its new vision. It included the long-term aim of facilitating the use of opportunities, resources and existing networks in developing countries to help the countries of the South to achieve their development objectives, especially those formalized as the Millennium Development Goals following the Millennium Summit in 2000.

8. Recognizing the need to build support for South-South cooperation in UNDP as part of its overall campaign to mobilize global support for such cooperation, the Special Unit for TCDC developed a strategy for mainstreaming TCDC in the organization. The need to develop such a strategy was reinforced by the fact that: the Economic and Social Council, in its decision 1992/41, called on all parties in the development partnership to give first consideration to TCDC; the UNDP corporate plan 2002 had set specific targets for the Special Unit in this area; and the Executive Team had urged the Special Unit to prepare a mainstreaming strategy to complement its new vision. The mainstreaming strategy addresses such key aspects as the principles of the approach, practical steps, instruments and tools for mainstreaming and the role of partnerships. The new vision and the mainstreaming strategy include, among other things, measures to be taken by the Special Unit in implementing the second cooperation framework for TCDC (2001-2003) and the decisions of the High-level Committee on the Review of Technical Cooperation among Developing Countries.

B. Specific programme achievements

9. Specific achievements with respect to the two focus areas and the respective areas of intervention presented in the second cooperation framework are described below.

Policy dialogue and consensus-building

10. The Special Unit for TCDC is the liaison between UNDP and the Group of 77 (G-77). It has worked to raise awareness of the importance of ownership by Southern countries in initiating, promoting and building South-South cooperation. In addition, it helped developing countries to engage in dialogue and reach a consensus on development issues of importance to the South. The Special Unit collaborated with the Bureau for Development Policy in assisting the G-77 representatives to prepare for effective participation in the Fourth World Trade Organization Ministerial Conference, held in Doha, Qatar in November 2001, where they won significant concessions with respect to poor countries' access to essential HIV/AIDS drugs. The Special Unit provided support to a panel discussion among representatives of developing countries at the World Summit on Sustainable Development (WSSD), held in Johannesburg in September 2002, that resulted in the formulation of a common strategy on a number of issues, especially those relating to the need for concerted effort in strengthening South-South exchanges of know-how, knowledge and expertise. Support to the G-77 High-level Conference on Science and Technology, held in Dubai in October 2002, contributed to the formulation of strategies through which developing countries can collaborate further on information and communications technology for development, water management and biodiversity.

11. The Special Unit also helped to build consensus and keep South-South cooperation on the agenda in international public discourse. It participated in the experts preparatory meeting for the Third United Nations Conference on the Least Developed Countries, held in Brussels in 2001, where the effectiveness of South-South cooperation was highlighted through a presentation on the development of New Rice for Africa (NERICA) rice varieties as an example of a best practice in South-South and triangular cooperation – technical cooperation among two or more developing countries with support from Northern donors. The plan of action issued by the conference contained the recommendation that developing countries pool their institutional, intellectual and technical resources to tackle common development challenges. The Monterrey Consensus reached at the International Conference on Financing for Development, held in 2002, pointed to the importance of South-South and triangular cooperation approaches to capacity-building in developing countries and in countries with economies in transition. In collaboration with the Special Unit, the Government of China will bring together in 2003 a number of middle-income countries that play a pivotal role in TCDC. The aim is to reach agreement on how these countries could better coordinate the technical assistance they provide to less developed countries in order to help them to achieve the Millennium Development Goals.

12. In accordance with the emphasis of the second cooperation framework on facilitating consensus-building on emerging development issues, the Special Unit helped to promote policy dialogue among developing countries on such critical

development issues as urban management, environmental regeneration and management of water demand. Using triangular cooperation arrangements, the Special Unit launched an initiative to develop institutional capacities for management of water demand in the Middle East and North Africa region. This initiative is aimed at strengthening the capacity of policy-makers to deal with water-management issues such as wastewater reuse, water valuation, privatization and decentralization. A network will be established among participating governments to support the implementation of water-demand management strategies in their respective countries. The initiative has attracted funding from the International Development Resource Centre and the Canadian International Development Agency. The Special Unit also assisted small-island developing States in their preparations for the WSSD and in their formulation of development and cooperation strategies for the following three years.

13. Through its journal *Cooperation South*, the Special Unit strengthened its role in knowledge-building and knowledge-sharing. The journal has highlighted policy options on a wide range of issues, pointing to promising areas for South-South collaboration. In 2001-2002, the journal explored policies buttressing the use of information and communications technology as a development tool. It also covered such topics as globalization, its impact on social policies and approaches to building intellectual property rights regimes that are capable of rewarding creativity and securing the access of the poor to the benefits of modern science, such as essential HIV/AIDS drugs. The journal has become a strategic tool for the dissemination of perspectives on development issues and, ultimately, for the mobilization of support for South-South cooperation. *Cooperation South* is available in English, French and Spanish and is accessible electronically through the Web of Information for Development (WIDE) at www.undp.org/tcdc. Requests for the journal have come from key policy-makers in the South, United Nations research libraries and multilateral development organizations, among others.

Strengthening of multilateral efforts for South-South cooperation

14. The aim of this area of intervention is to strengthen the United Nations system-wide efforts in mainstreaming support for South-South cooperation in the operational activities for development of the United Nations system. In the period under review (2001-2003), the Special Unit, in its capacity as secretariat for the High-level Committee on the Review of TCDC, continued to monitor progress in this area and reported its findings to the twelfth and thirteenth sessions of the High-level Committee. The Special Unit also finalized the Revised Guidelines on the Review of Policies and Procedures Concerning Technical Cooperation among Developing Countries, which were submitted to the thirteenth session of the High-level Committee for approval. The Revised Guidelines, which now contain indicators to gauge the performance of United Nations organizations in implementing TCDC, have been designed to provide a framework for mainstreaming South-South approaches to development throughout the United Nations system.

15. The G-77 called upon UNDP and the Special Unit to arrange for conferences to mobilize support for South-South cooperation. In this regard, the Special Unit collaborated with the Government of India and the Regional Bureau for Asia and the Pacific to sponsor a conference on South-South cooperation for the reconstruction

of Afghanistan. The conference, held in New Delhi in May 2002, catalysed resource mobilization and technical support from developing countries and several donors, resulting in a medium-term South-South cooperation programme for Afghanistan with additional resources from the Government of Japan.

Support for South-South sharing of development information

16. The sharing of information on development experience, including documenting lessons learned and creating a platform for the sharing of expertise among developing countries, is a key component of the second cooperation framework. Through collaboration with the Third World Network of Scientific Organizations, the Third World Academy of Sciences and the Third World Network, the Special Unit published three books in the series *Sharing Innovative Experiences*. The volumes, which document development best practices and lessons learned on a wide range of socio-economic subjects, have attracted considerable interest among development practitioners, scholars and government officials.

17. The WIDE of the Special Unit serves as the electronic platform for the broad dissemination of information on innovative development practices, experts, experiences and institutions in the South. Based on an impact assessment survey that sought the view of various partners in South-South cooperation in the developing world, the Special Unit developed a strategy to enable institutions in the South to build their rosters of Southern experts and to offer them worldwide visibility through WIDE. WIDE offers significant scope for facilitating South-South cooperation and the Special Unit is committed to the continual upgrading of its infrastructure and content. An important first step in this direction is the agreement reached between the Special Unit and the Bureau for Development Policy to use WIDE as the main platform for the subregional resource facilities. Through the implementation of this agreement, WIDE will be transformed into a major gateway enabling the international community to access information on expertise in the countries of the South. Increased use of WIDE by the subregional resource facilities promises to enhance the mainstreaming of South-South cooperation in the activities of UNDP and other United Nations organizations.

18. In October 2002, the Special Unit initiated a project to explore ways to lower the cost of accessing the Internet in Africa. The project aims to draw from the experience and technical expertise as well as the entrepreneurial innovations in other developing regions. Initial findings suggest that multiple factors, including inadequate policies, lack of a viable business environment and insufficient investment in equipment and technology, contribute to the relatively high rates paid by Internet users in Africa. Work is under way to host a conference in Cameroon in 2003 as a preliminary step to implementing the project.

Support for increased economic cooperation among developing countries

19. The contribution of the Special Unit to the attainment of the Millennium Development Goal of eradicating extreme poverty has been most pronounced in its efforts to facilitate economic cooperation among developing countries in areas including pro-poor financial services, and the promotion of trade and investment. The Special Unit has also provided support for networks of small- and medium-

sized enterprises (SMEs) in African and Asian countries, capacity-building of African bankers in development financing, human development of the poor through community empowerment, and the building of local-level institutions for poverty alleviation.

20. The Special Unit for TCDC has supported investment promotion with the introduction of the Africa-Asia Business Forum as a means of catalysing investment and technology transfer from Asia to Africa at the enterprise level. Existing arrangements to establish business linkages between African and Asian entrepreneurs are being transformed by the Special Unit, which is working to create an electronic platform that empowers companies participating in the Africa-Asia Business Forum to identify partners in either region over the Internet. The initiative builds on the experience gained during the two major business forums organized by the Special Unit – one in Kuala Lumpur, Malaysia in October 1999 and the other in Durban, South Africa in July 2001. The latter attracted 143 African and 71 Asian entrepreneurs and resulted in the signing of 97 memoranda of understanding, including those for 37 joint ventures, 21 of which had a value of $74 million.

21. Recognizing the role of small- and medium-sized enterprises (SMEs) in economic development in Africa, a programme was initiated in 2001 to establish a Technonet Africa to replicate Technonet Asia, which has over 30 years of experience in the promotion of Asian SMEs. In its first phase (2003-2006), the programme aims at policy and institutional reforms and the capacity development of key national and regional institutions that promote SMEs in seven African countries. Based on the needs assessment study and the workshop held in Pretoria, South Africa in July 2002, the project is at a stage where the Technonet platform can be used to develop the capacities of these institutions, which in turn will support SMEs at the country level.

22. The Special Unit has also addressed the need to build the capacity of financial institutions, enabling them to support investment in SMEs in African countries. In this regard, an intervention was designed to develop the capacity of African bankers in development financing, using the capacities of Asian financial institutions. Twelve executives and 20 trainers in finance benefited from a training programme in Malaysia and the Philippines in 2001. Similar training programmes have been developed for implementation in 2003.

23. With funds provided by the Government of Japan, the Special Unit began preparatory work on a programme for African capacity development in local governance and economic development in November 2002. The aim is to facilitate the establishment of two local governance networks in Africa and Asia that will help the Member countries to collaborate and draw on one another's experience for country-level initiatives. This initiative, which is carried out in partnership with the Bureau for Development Policy, is an example of the efforts of the Special Unit to integrate South-South cooperation in UNDP practices, with the specific aim of building governance environments conducive to socio-economic development.

24. The TCDC programme under the second cooperation framework also promoted local economic development and empowerment of rural populations through support for capacity development of local institutions, enabling increased access to income-earning opportunities, micro-credit, agricultural support, local resource management and environmental conservation measures, basic health and non-formal education. This effort was piloted successfully in Cambodia, where rural development and

local economic revival along with improvement of human development conditions constituted a critical part of the national reconstruction and development programme. The success of the intervention was based on triangular cooperation involving the expertise of the Japan International Cooperation Agency and project management support and technical experts from four countries of the Association of South East Asian Nations: Indonesia, Malaysia, the Philippines and Thailand. This arrangement also facilitated regional cooperation, offering an opportunity for Cambodia to benefit from the programme activities. The initiative has been successful in mobilizing community and local-level social institutions, including the formation of more than 2,000 farmers' groups.

Support for South-South cooperation in social policies and social development

25. One of the areas receiving support from the Special Unit is environmental management. The Special Unit initiated an umbrella programme on the preservation of coastal and marine biodiversity, which brings together three Asian countries (Bangladesh, Malaysia and Thailand) and 10 African countries (Angola, Benin, Cameroon, Congo, Democratic Republic of the Congo, Côte d'Ivoire, Gabon, Ghana, Nigeria and Togo) in efforts to protect endangered coastal and marine resources in the Gulf of Guinea using Asian experience and know-how. The project has captured the attention of officials of the Government of Cameroon who have called for its expansion to foster confidence-building among Cameroonian and Nigerian fishermen living in the previously contested Bakassi area in order for them to exploit local marine resources peacefully under collaborative TCDC arrangements.

26. The Special Unit is also focusing on fostering public-private partnerships and community participation in solid waste management, air pollution control and wastewater management in five African cities (Accra, Addis Ababa, Dar es Salaam, Lagos and Nairobi) and six Asian cities (Bangkok, Jakarta, Kuala Lumpur, Marikina, Phnom Penh and Tokyo) under the Africa-Asia Eco-partnership Programme.

Enhanced cooperation among Southern countries in science and technology

27. Successful policies and experiences relating to the teaching of science and technology subjects in the developing world are being shared through South-South exchanges as part of an initiative by the Special Unit to train trainers in science and technology education. Work has begun on an electronic platform, with the initiative attracting a number of partners from developing countries, including Angola, Brazil, Cameroon, China, Côte d'Ivoire, Democratic Republic of the Congo, Gambia, India, Kazakhstan, Madagascar, Malaysia, Mozambique, Philippines, Republic of Korea, Singapore, Turkmenistan and Uzbekistan. Three Canadian universities and the World Bank are supporting this effort.

28. Demand has been growing for varieties of NERICA, which resulted from innovative collaboration with the West Africa Rice Development Association (WARDA), the Government of Japan and other partners. In response, the Special

Unit supported the creation of the NERICA Consortium for Food Security in sub-Saharan Africa and the African Rice Initiative (ARI), which aims to increase the dissemination of NERICA varieties in Africa. ARI has been recognized by the New Partnership for Africa's Development as one of the most promising initiatives for the improvement of food security in Africa. Work has also begun to develop additional NERICA varieties, including rain-fed lowland types, and to increase local African rice production to over 744 000 tons. This constitutes savings of up to $88 million in rice imports per year and will also help to preserve millions of tons of precious topsoil. The NERICA programme illustrates how several Millennium Development Goals, such as those pertaining to poverty reduction, health and environmental protection, can be effectively pursued through triangular cooperation arrangements.

IV. Resources

29. Of the total regular (core) resources of $7 406 000 allocated to the Special Unit for TCDC for 2001-2003, $2 506 000 were disbursed during 2001-2002. The remaining resources are fully programmed for implementation in 2003.

30. Other (non-core) resources mobilized for the same period totalled $9 737 000 and have already been allocated to specific programmes. Of this total, contributions from the Government of Japan accounted for $8 150 000. Seventeen projects are being implemented with funding from the Government of Japan. Other non-core contributions and parallel funding amounted to $1 587 000. This includes contributions to the Voluntary Trust Fund for South-South Cooperation by China and the Republic of Korea, with China increasing its contribution significantly from $250 000 in 2001 to $400 000 in 2002. Parallel funding was provided by the Canadian International Development Agency (CIDA), the International Development Research Centre (IDRC) and the Rockefeller Foundation.

Resources mobilized for 2001 to 2003

(in thousands of United States dollars)

Type of contribution	Donor	2001	2002	2003	Total
Cost-sharing	Japan	4 500	150	3 500	**8 150**
Voluntary Trust Fund for South-South Cooperation	China	250	400		**650**
	Republic of Korea	50	50		**100**
Parallel financing	CIDA		320		**320**
	IDRC		400		**400**
	Rockefeller Foundation.	50	67		**117**
Total		**4 850**	**1 387**	**3 500**	**9 737**

V. Lessons learned

Strategic importance of triangular cooperation

31. Support from developed countries has played a substantial role in the implementation of all the major projects supported by the Special Unit in closing gaps in resources and technologies. Developed countries have been a source of complementary funds and expertise to back collaborative programmes launched by developing countries. These contributions underscore the increasing importance of triangular cooperation in achieving greater impact. For example, in the collaborative effort to develop and disseminate NERICA rice varieties, research institutions in developed countries provided genetic analyses of rice species while African research institutions were engaged in applied research in field planting and evaluation of newly developed NERICA varieties. This complementary division of labour in triangular arrangements made it possible to accelerate effective and efficient crossing of African and Asian rice species.

32. Experience also shows that triangular cooperation is most successful when developing countries or their institutions show commitment to their development goals by contributing part of the resources to support programmes for which they seek donor assistance. Local action plans initiated by participating cities in the Africa-Asia Eco-partnership Programme, for example, are promoted by the participants in training programmes using their newly acquired knowledge and skills. This illustrates the significance of triangular cooperation in the domestic mobilization of resources as emphasized at the 2002 International Conference on Financing for Development.

Importance of partnerships between UNDP bureaux, country offices and the Special Unit

33. Modalities of execution of South-South cooperation vary from national execution to execution by non-governmental organizations to execution by United Nations organizations, all of which require substantial collaboration with country offices and bureaux. Regional and interregional collaboration and networking in particular can be strengthened by the know-how of UNDP country offices and bureaux. These partnerships also improve the capacity of the country offices and bureaux to mainstream South-South cooperation in the UNDP practice areas of democratic governance, poverty reduction, crisis prevention and recovery, energy and environment, ICT for development and HIV/AIDS. In the South Asia Poverty Alleviation Programme initiated by the Regional Bureau for Asia and the Pacific to share experiences among members of the South Asian Association for Regional Cooperation, for example, the Special Unit provided catalytic support that enabled individual country offices to foster interregional interaction in implementing the programme, thereby enhancing the achievement of the programme objectives. Effective collaboration between the Special Unit and other parts of UNDP is crucial to the success of the activities of the Special Unit. A clear division of labour between collaborative parties increases the chances of achieving the desired results. The Special Unit has learned that its effectiveness is strengthened when it provides a platform for South-South dialogues and joint programmes, inviting other UNDP

bureaux and units to provide substantive inputs on the basis of their respective mandates and expertise. For example, the Special Unit has benefited from its collaboration with the Regional Bureau for Asia and the Pacific on the South-South programme for the reconstruction of Afghanistan. Such collaborative arrangements also serve to bring South-South cooperation from the sidelines into the mainstream of UNDP work.

Importance of advocacy or awareness-raising backed by concrete and tangible results

34. The work of the Special Unit in promoting South-South cooperation becomes more credible when advocacy or special awareness-raising events are backed by programmes that have generated concrete and tangible results, such as the development of NERICA rice varieties. For publicity purposes, the media were invited to NERICA rice workshops and tasting held in Johannesburg, New York and Tokyo.

Importance of networking

35. Collaborative networks involving multiple partners have been very effective mechanisms for mobilizing resources, skills and expertise and for generating and sharing the results. Members of networks have equal opportunities to share the resources and benefits. Most Africa/Asia programmes supported by the Special Unit involve networking arrangements.

36. These lessons point to the way forward in advancing South-South cooperation and will be a source for the formulation of the third cooperation framework.